

1697
LETTER

TO A

Conscientious Man:

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Concerning the

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Use and the Abuse of Riches,

AND THE

Right and the Wrong Ways
of acquiring them:

Shewing that STOCK-JOBbing is an un-
fair Way of Dealing; and particularly de-
monstrating the Fallaciousness of the
SOUTH-SEA Scheme.

L O N D O N:

Printed for W. Borcham, at the Angel in Patern-
oster-Row, 1720.

Price Three-pence.

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A
LETTER
 TO A
Conscientious Man, &c.

S I R,



INCE you have been pleased to desire my Opinion, whether a truly religious Man may with a safe Conscience deal in *Stock-Jobbing*? I shall freely impart to you my Thoughts thereon: But in Order to examine this Question thoroughly, I must first define what I understand by Religion, and a religious Man.

As then if there had been no Transgression, there would have been no Law; so if our first Parents had persisted in that State of Integrity wherein they were created, there had been no need of Religion; that is to say, if they had remain'd in a continual Union with their Maker, the Duties of Adoration and Obedience had never been interrupted, and then there would have been

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no Occasion for such Exercises of the Soul, which we now call Religion.

Now, as that State of Innocency consisted in Man's fixing his Love and chief Desires upon his Maker, and living in an entire Obedience and Dependence upon him; so his Fall was occasioned through his turning away his Desires from God, and willing a Property of his own, even so as that he might be like God, and have in himself the Knowledge of Good and Evil; and this became the Original and Source of Sin, whereby all humane Nature is corrupted, and subjected under the Dominion of various Lusts, Passions, and carnal Affections, which reign in the Souls of Men, drawing their Love and Desires to the Creatures, and the perishing Enjoyments of this Life, and diverting them from their chief and everlasting Happiness, which consists only in the Enjoyment of their Creator, and being eternally united to him.

The Word *Religion* then, is what I take to signify properly (especially if the adjective *True* be joined with it) not so much the outward Cult or Form of Worship, established by different Sects, in different Ways; as that inward and spiritual Exercise whereby the Soul, convinc'd of its lost and undone Condition, whilst under the Influence of the Fall, is in a continual Struggle and Warfare against all those innate Passions, Affections, and strong Propensities, which holds it captive to the Creatures, and to the Vanities of this World; and submits its self to the Conduct and Operation

ration of that Measure of Grace which it has received for the subduing and mortifying of all its sinful Inclinations, perfectly reforming the Corruption of its Nature, and restoring it to its first blessed State of Union with its Creator, that so it may be fitly qualify'd to render him that Adoration and Worship which is acceptable in his Sight: And consequently, I take him only to be a truly religious Man, who lives in a continual Perseverance in this Exercise, and orders his whole Life and Conversation accordingly.

Such an one, however, will meet with great and continual Opposition from the grand Enemy of Mankind, and will find himself beset with Snares and Temptations on every Side, and suited to every State and Condition he has to pass through; so that when he has in good Measure reform'd his outward Conversation, and overcome the grosser Pollutions, the Enemy will change his Battery, and attack him in a more hidden and close Manner, to draw him into spiritual Vices, which, tho' they may not appear outwardly to the Eyes of Men, do however tend to alienate the Soul from God as much as the more open Defilements, and are indeed more dangerous; because if a serious Man may have been overtaken and surpriz'd into any scandalous Sin, when he comes to reflect, his Conscience smites him, and the Horror of his Crime gives him no Rest, till thro' a sincere Repentance he has recovered the Favour of God again: Whereas these secret and inward Sins not being represented

to us under the open Appearance of Evil, but rather with a Shew of some Good, or at least of being indifferent, they gain upon the Mind imperceptibly, and whilst the Man refrains from publick Vices, and keeps strictly to the outward Profession, he is apt to think himself more righteous than others, and takes up his Rest as if all were well with him, without once examining the Bottom of his Heart to find out the accursed thing.

Of all these secret Sins, there is hardly any one so apt to prevail upon the Minds of religious Men, as that of the inordinate Love and Desire of worldly Riches. They appear as a Good, because, as the World is now constituted, they are absolutely necessary for the supplying the Conveniencies of Life, and the making some reasonable Provision for our Posterity, nor can we without them perform that great Duty of relieving the Poor; to which Ends we are commanded to use our Industry; but then, on the other hand, we are told of the *Deceitfulness of Riches*, and that *the Love of Money is the Root of all Evil*; and our blessed Saviour says positively, that *'tis easier for a Camel to pass through the Eye of a Needle, than for a rich Man to enter into the Kingdom of Heaven*: who likewise practis'd the most perfect Poverty in his own Person; for tho' he was Lord of all Things, yet he would not assume to himself so much Propriety in this World, as to have where to lay his Head; nor was he Owner of so much Money as would pay his Taxes, till he had commanded it by a Miracle: Peter also was

poor

poor enough when he answered the Beggar,
Silver and Gold have I none.

The whole results in this, that though the Use of our Industry to acquire a Competency of worldly Wealth, is not only lawful, but also a Duty to those who have Families; yet that Riches are a very dangerous Snare to serious Men; because, as they encrease, Men are too apt to fix their Love and Delight in them, and can hardly avoid the Evils that attend the gaining of them, or govern their Spirits in the right Use of them.

For the gaining of them, how often do we see such as shew a Zeal for Religion fall into the Snare of Covetousness? And then, how few of them do scruple to use all the Means that come in their Way to attain them? Such as Gripping, Over-reaching, Oppression, Extortion, catching at all Advantages; and seldom considering whether their Ways of Dealing are plainly honest, laudable, and fairly justifiable, or such as may tend to the Promotion of Vice, or to the Injury of the Publick, or of their Neighbour. In the Use, or rather Abuse of them, some fall into the extream of so sordid an Avarice, as even to starve themselves in the midst of their Abundance; while others (and even religious Professors) indulge themselves in Superfluities, and in the Enjoyment of the vain Pleasures of this Life, like the rest of the World.

But a Man who is truly religious, and watches over his own Heart, will come to discover all these extreams, and find that his Happiness does not consist in the Abundance of Riches, or any

other outward Good; but in the Enjoyment of a quiet Conscience, and Peace with God; for the attaining and preserving whereof, he is willing to deny himself in all those momentary Satisfaction which he finds to be Hindrances to his spiritual Improvement: and therefore, as on the one Hand, he is not slothful and negligent in managing the Affairs of this Life; so on the other, if his Industry proves so successful as to bring him Riches, he soon discovers how easily they captivate his Mind, and draw his Heart after them, so as to engage him in a continual Application to increase them: but then when he sees that this can hardly be done without plunging himself into immoderate Cares, Hurries, Inquietudes, and Distractions, all which obstruct the Operations of divine Grace, the Tendency whereof is to purge the Soul from all its carnal Affections, Lusts, Passions, and strong Attachment to the Creatures, as the only Means whereby it can be fitted for the Attainment of its chiefest Happiness in the Fruition of its Creator; and having learn'd, through his Christian Experiences, how infinitely spiritual Enjoyments transcend those which are merely carnal, and perish with the using, he is made willing to quit the one, that he may possess the other; and then he moderates his Desires, and becomes more indifferent in his worldly Concerns, with a firm Faith that God will order every thing for his Good, contenting himself with a Competency, and not repining at the Disappointments that may befall him, even though he should be reduced to Poverty: But
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if he happens to acquire Riches, he looks upon them not so much his own to dispose at his Pleasure, as entrusted to him by God, to whom he must render an Account of his Stewardship, and this makes him exhibit his utmost Care in the right Management of them; which consists chiefly in confining himself to the lawful Use, avoiding the Abuse, and practising no Means or Ways of acquiring them, which are not apparently honest, reputable, innocent, and not injurious to our Country, or to the Wrong of our Neighbour.

The Use which a religious Man may lawfully make of them, is, in the first Place, to supply himself with such Conveniencies of Life as are suitable to the State and Degree he holds in the World, without Excess or Luxury: next, he may with a good Conscience apply himself to make such a Provision for his Children, or indigent Relations, as may procure them a comfortable Settlement in the World, without coveting to leave them over-great Fortunes, which often prove a greater Mischief than a Happiness to them; and if after this, Wealth still flows in upon him, he ought to look upon it as his indispensable Duty to be very liberal in Acts of publick and private Charity, in assisting and employing industrious People, and taking all Occasions of contributing his Substance to every good Work which comes in his View, and tends to the promoting of Piety and Virtue.

The Abuse is, when a Man has not a Heart to communicate them for the good of others, but appropriates them wholly to the Gratifica-

tion of his own Lusts and Passions, either by an insatiable Covetousness to heap up and increase his Riches, or by the contrary extream, to live luxuriously, and indulge himself in all the Vanities of this World, which the Apostle justly defines to be; *the Lust of the Flesh, the Lust of the Eyes, and the Pride of Life.*

The Ways of attaining them, which a pious Man may practise with a good Conscience, are, by employing himself in any necessary Handicrafts or Manufactures, by dealing for a conscientious Gain in the buying and selling of useful Commodities, by trading in Merchandize, by lending his Money at a moderate Interest, by exercising the learned Professions, as they conduce to the Welfare of Mankind, and the good of Societies, or, in fine, by using any other way of Business or Traffick, not evil in it self, nor tending to the Detriment or Loss of others.

And this leads us directly to the Question you were pleased to propose; Whether *Stock-Jobbing* be such a Sort of Dealing, as a conscientious Man may without Scruple concern himself in?

Now to form a right Judgment of this Matter, we ought first to define what we mean by *Stock* and *Stock-Jobbing*. *Stock* then I take to design no more than what we esteem to be the real Value, or clear Amount of the capital Fund belonging to any Company, or Society of Men legally incorporated to trade upon a joint Stock. And 'tis beyond all Dispute, that a serious Man may laudably purchase such Stock, with Intention to share in the fair Profits which may be gained by it; or if he finds

a better Opportunity of employing his Money, may as reputably sell it again; but this is not what I conceive can be properly call'd, *Stock-Jobbing*.

But some designing People, of more Cunning than Honesty, have in our Age introduc'd a new and fraudulent Kind of Traffick, begun by a Deception, in dividing out large Portions of the Principal Stock, under the Notion of Profit, (which was notoriously the Case of the Old *East-India* Company, whatever others may have done since) whereby People were deluded into a much higher Opinion of the Value of those Stocks than they were really worth, so that they bought at extravagant Prices, and found themselves at last to be cheated of their Money. From this deceptive Beginning it is within these late Years grown up to form the greatest Branch of Negotiation that was ever transacted in the World, and Men now engage themselves in it without any Regard to Reason or Computation; the Cunning indeed with no Opinion of its Worth, or that the Management of the Business can afford them any proportionable Gain, but meerly to sell their Stock again at an advanced Price, and leave the credulous and unwary to bear the Loss, which must inevitably fall upon them in the End: and this Sort of Dealing is what we properly call *Stock-Jobbing*. To consider more particularly the present State of this pernicious Commerce amongst us, when almost all Sorts of People who are able run headlong into it, to the Neglect of their

their honest Occupations, and to the great Detriment of the Trade of the Nation; so that the Stocks are wrought up to an imaginary Value so much above their real Fund, as that it is apparent that they in whose Hands it rests, (as it must needs in some) at the last will lose greatly by it; for Instance in the three most considerable Branches.

We will suppose the Capital Stock of the Bank to be 100 l. (tho' tis usually reckoned but 90) and as it affords a Dividend of 8 l. per Annum, the Improvement is so considerable, that, if it were perpetual, it might well be valued to be worth 160 l. but as the Continuance of it is precarious, if the Government should be in a Condition (as we hope they will) to pay off the Fund in 7 Years, we ought not to estimate the real Value of it at more than 120 l. what a Condition then will they be in who have bought it at 240 l. and shall hold it to the last?

The *East-India* Stock is yet much worse; for tho' it gives a Dividend of 10 l. per Cent. yet many understanding People are of the Opinion, that the Profit of the Trade cannot afford so much without breaking in upon the Principal; however, there is no apparent Reason to suppose, that their Capital is so much improv'd, as to be really worth one third Part of the Price which it is now sold for.

But the *South-Sea* Stock is risen to so monstrous an Excess, that it puts an Affront upon all Sense and Reason; a Set of crafty Men having undertaken to delude the World into

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an Opinion, that they can, by a little *hocus pocus* Management, make a single Unit become a good Ten. Every Body knows, that if what they have lost by their *Spanish* Trade should be made good to them upon the Peace, their Capital can be but 100, which is not at present in any Way of Improvement that gives more than 5 *l. per Annum*, to be divided in an equal Proportion among all the Proprietors: 'Tis true indeed, that they make a Shew of dividing 20 *l. per Cent.* but this must either draw 15 out of the Capital, or (which is the Pretence) it must arise out of the Gain which is made by the Advance of the Subscriptions, which, when it is well considered, will appear to be a meer Juggle; for if all the Subscriptions were completed, and the whole Sum were paid in, (which I may adventure to say will never be, if the high Subscribers come to see what a Case they are in) it would be so far from raising any Gain to those who came in at the highest Prices, that they would only be made the Dupes to contribute to the extravagant Gains of such who purchased at the lowest, even with the Loss of more than their whole Principal: this Contrivance being much the same as if we should suppose, that a Parcel of the late Bubbles should have publish'd to the World, that they had discover'd a rich Mine, wherein they have already employed 10000 *l.* which has, indeed, as yet yielded them but 5 *l. per Cent. per Ann.* Profit, however they have taken a Lease of it for 7 Years, and shall make it vastly profitable if they can increase their Stock

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to 42000 *l.* then they send out their Emiffaries to magnifie and cry up their Project every where, and let some Men of Figure into the Secret, that by their Countenance and Encouragement the Multitude may be drawn in to subscribe to it at the Projectors own Terms; for the first Party of Subscribers agree to pay in 3000 *l.* on Condition to be intitled to only *one-tenth* Part of the Annual Profits, and the Capital Stock; and this is presently talk'd up to be so advantageous a Bargain, that the Price rises, and the Managers publish a second Subscription, for People to pay 4000 *l.* for the like *tenth* Part; then a third Party pay 5000 *l.* for a *tenth* Part; and the high Opinion of the Project still increasing, a fourth Party are perswaded to subscribe no less than 10000 *l.* to be admitted to the *tenth* Part of the immense Riches which they are told will be gain'd by this inexhaustible Mine; and lastly, to make up the propos'd Stock of 42000 *l.* they take in a fifth Party of Subscribers, at the same Price with the former; but after all the great Expectation, this mighty Undertaking appears to have been capable of producing no more than a yearly Dividend of 5 *l.* *per Cent. per Ann.* from the fair Management; and the Mystery of the Gain will be found to be only in this, that when the Stock comes to be divided at the End of the Term, the Projectors, and the two first Parcels of Subscribers, have trick'd the last out of 12400 *l.* besides their Loss of so much as the yearly Dividend falls short of the Interest of their Money;

Money; for the Division of the Stock must be made in the following Manner;

Original Stock	10000	Receives	5-10th parts	21000	gets	11000	
1st Subscription at 3000		Receives	1-10th part	4200	gets	1200	Gain'd 12400
2d Sub. at 4000		Receives	1-10th part	4200	gets	200	
3d Sub. at 5000		Receives	1-10th part	4200	loses	800	
4th Sub. at 10000		Receives	1-10th part	4200	loses	5800	Loss'd 12400
5th Sub. at 10000		Receives	1-10th part	4200	loses	5800	
	42000						

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To be somewhat more particular in examining the present Management of the South-Sea Company according to this Rule ; supposing (which cannot indeed be reasonably supposed) that the whole should be filled at about 1000*l.* per Cent. So as to encrease a Stock of 40 Millions to 400 Millions, and that this were all paid in, and to be employ'd for 7 Years in an Improvement which should yield a Profit of 5*l.* per Cent. (which also could not be possible, because the whole Commerce of the Nation would not take up so vast a Sum) this would amount to 20 Millions to be divided Annually ; a prodigious Gain, and a mighty Income indeed ; but only for the Benefit of those who came in at the lower Prizes, and to the ruinous Loss of the highest Subscribers, for they could pretend to receive no more of these bulky Sums than in Proportion to *one-tenth* Part of the Money they had paid in, so that as he who bought his Stock for 100*l.* is to have 1000*l.* for his Share of these 400 Millions, he, on the contrary, who pays 1000*l.* for but 100*l.* Stock, is intitled to no greater Part than that single hundred Pound out of all those Millions, but his Loss will be yet more than that, though he pays in his Money at ten half-yearly Payments, and receives the Company's dividend of 10*l.* per Cent. half-yearly also, as may be demonstrated by the following Scheme :

1st Year	Pay 100 00 0	6 Months Interest 2 10 0	makes 102 10 0	To receive 10	Remains 92 10 0
	Rest 92 10 0	192 10 0 Interest 4 16 3	makes 197 06 3	receive 10	Remains 187 06 3
	Pay 100 00 0	287 06 3 Interest 7 03 9	makes 294 10 0	receive 10	Remains 284 10 0
2d Year	Rest 187 06 3	384 10 0 Interest 9 12 3	makes 394 02 3	receive 10	Remains 384 02 3
	Pay 100 00 0	484 02 3 Interest 12 02 0	makes 496 04 3	receive 10	Remains 486 04 3
3d Year	Rest 384 02 3	586 04 3 Interest 14 13 3	makes 600 17 6	receive 10	Remains 590 17 6
	Pay 100 00 0	690 17 6 Interest 17 05 6	makes 708 03 0	receive 10	Remains 698 03 0
4th Year	Rest 590 17 6	798 03 0 Interest 19 19 0	makes 818 02 0	receive 10	Remains 808 02 0
	Pay 100 00 0	908 02 0 Interest 22 14 0	makes 930 16 0	receive 10	Remains 920 16 0
5th Year	Rest 808 02 0	1020 16 0 Interest 25 10 6	makes 1046 06 6	receive 10	Remains 1036 06 6
	Pay 100 00 0	1120 16 0 Interest 28 16 3	makes 1088 02 9	receive 10	Remains 1068 02 9
6th Year	Rest 1036 06 6	1210 10 9 Interest 31 08 0	makes 1121 10 9	receive 10	Remains 1101 10 9
7th Year	Rest 1068 02 9	Which 1101 10 9 being to be paid off with 1007 10 10 10 9			

Besides,

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Besides, as 'tis certain that none of their Stock is at present (or in any Probability of being for the future) employed to reap any higher Advantage than 5*l.* per Cent. this Dividend of 20*l.* per Cent. being 15*l.* more than is really gain'd, must consequently be taken out of the Capital, and so there would be nothing to receive at the End of the 7 Years, then the Loss would be above 1100*l.*

And thus it is notorious that this prodigious Project has no solid or real Foundation, from which any honest Profit, above the 5*l.* per Cent. can be expected; but, on the contrary, is contriv'd and carried on with all the Art and Cunning possible; to amuse People, and draw them in by a false View of immense Gains, to engage in an Undertaking wherein more than their whole Money is to be sacrific'd to the Avarice and Fraud of the Projectors.

'Tis true indeed, that many of those who deal in this Stock, know well enough the Fallacy of it, and therefore they buy it with no Intention to keep it, but only that, by taking the Advantage of the strong Fascination the People are under at this Time, they may sell it again to Profit; but they would do well to consider, that in so ticklish a Commodity no Body is safe, but he who gets rid of it in Time; for as certain as all former chimerical Structures, rais'd upon the like narrow Foundation as this, have tumbled down as in were at once, so must this as soon

as Men grow cool enough to look about them, and see the Danger they are in; but when the Trap falls, many of those who thought themselves cunning enough to escape, will be caught as well as the simple.

But to a Man who makes Profession of Honesty and Religion, I would recommend the Examination of this Transaction by a parallel Instance: Suppose an Acquaintance invites him to be concerned in a Traffick of buying and selling false Money; he tells him 'tis indeed made of a Counterfeit-Metal, but so well coloured and so finely stamp'd that it will pass currently for good Silver and lawful Coin; that the Value of the Metal in a Shilling is really worth a Penny, which he will sell him for Three-pence, whereby he will get Profit enough, because others will also be willing to trade in it for the sake of the Gain they expect to make by it; nay, he tells him of another Person, who, though he knows the true Worth of it, will give him Four-pence for it, because he again knows where to sell it for Ten-pence, and that third Person deals with some ignorant People who will take it for a full Shilling; 'tis true, indeed, he owns, that when the Falsity of this Money come to be discovered and publickly known, all those in whose Hands it remains at the last, would be abominably cheated, because they could get no more than one Penny for their Shilling, but yet the first Utterers of this Money were not Reproachable for the Fraud, because they sold
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it to none but such who knew what it was, as well as themselves: I would now ask him whether he thought he might with a good Conscience engage himself in such a Commerce? And then, whether he could see any Difference in the Reason and Nature of the Thing, between dealing in a false Commodity, or a Stock which must apparently end in a Cheat; and the trading in false Money?

I have now said enough to shew you my Sentiments in this Matter; and I will confess to you, that I cannot without some Concern, see so many Men of Sobriety, and who have long liv'd in the Profession of Religion and a good Conscience, enter with the rest of the World into this vile Way of Traffick, meerly out of a covetous Desire of growing rich at once: But I am old enough (tho' you are not) to remember the Time (above fifty Years past) when many sober People had so great a religious Awe upon their Minds, that they were not only cautious of using superfluous Words in their buying and selling, but even declin'd dealing in such Commodities, or exercising such Trades as they thought tended to Evil; how much more then would they have abhorr'd the meddling with any sort of *Stock-Jobbing* whatsoever? as a Business founded upon nothing that is solid, rational, or honest, but meerly upon Artifice, Trick, and Catch; and which, you know, was for many Years since its coming into Practice, looked upon as odious and contemptible; although I am told that now,
not

not only considerable Men among the Dissenters, but even some of their Preachers have been deeply engaged in it, which I believe would not have pass'd without Censure or Re-proof, if the Tenderness of those primitive Times had not been in great Measure lost.

I must not yet end without telling you, that if I had not known you to be a serious Man, and suppos'd that you would not communicate this Letter but to such as you believ'd to have some Veneration for Religion, I should not have taken the Liberty of speaking so freely upon that Topick, because at a Time when Libertinism prevails so much, some Men are too apt to ridicule any Expressions which may favour of more Piety than is agreeable to their Taste : such, however, may do well to consider, that if they believe a future State of Happiness, and desire their Souls should partake therein, there is no other Way to attain it, but by becoming (not in Name but in Practice) good Christians, and there is no Possibility of becoming good Christians, but by obeying the Laws of Christ ; nor can this Obedience be perform'd any otherwise than through the Mortification of our own Self-love, and living in a continual Self-denial, not only with Respect to superfluous Riches, but also in restraining all other inordinate Desires and Affections : And for such who have ever felt in their Hearts true Repentance, Contrition, and a godly Sorrow for Sin, I know that they will not be disgusted

gusted at my mentioning of spiritual Exercises, because they have been made sensible through their own Experiences, that the Soul is as capable of inward and spiritual Labours and Exercises, as the Body is of outward and corporeal.

F I N I S.

